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To: Nursing Homes
Hospitals
Hospices

NH- 22
HOSP 13
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From: Judy Fryback, Director
Bureau of Quality Assurance

Resident Assessment Instrument (RAI) and Minimum Data Set (MDS) Automation

This memo addresses the current status of Minimum Data Set (MDS) automation and the Resident Assessment Instrument (RAI). If you have any further questions regarding these issues, please contact Billie March, RAI Coordinator, at (608) 266-7188, or Richard Betz, MDS Automation Coordinator, at (608) 264-9898.

Exhibits attached to this memo:

- 1. MDS Section S**
- 2. MDS Time Frames Table**
- 3. Federal Register, Friday May 22, 1998, Privacy Act of 1974; Report of New System**
- 4. Privacy Act Statement – Health Care Records**
- 5. HCFA Letter to Nursing Homes, Walter V. Kummer**

Federal Requirement

If you are a certified Medicare and/or Medicaid nursing facility, then you must complete, record, encode, and transmit the MDS (Minimum Data Set) for all the residents in your facility, regardless of age, diagnosis, length of stay, or payment category. Failure to complete and transmit the MDS will be considered noncompliance with a Medicare and/or Medicaid Requirement of Participation (42 CFR 483.20), and may result in an enforcement action (see Exhibit 5). Only assessments completed on or after June 22, 1998 are subject to this requirement. There is no requirement to encode or electronically transmit assessments that were completed prior to that date, even if residents for whom those assessments were completed continue to reside in the facility after June 22 and have subsequent assessments completed.

MDS Forms

The new MDS 2.0 resident assessment form, **Version 1/30/98**, is the form that must be used for assessments completed on or after June 22, 1998. Wisconsin requires Section S with each full MDS. A copy of Wisconsin's Section S is attached to this memo. This form was inadvertently missing from BQA Memo 98-012.

Wisconsin has specified the 2-page *Quarterly Assessment Form* for all non-Medicare quarterly review assessments. Facilities will use the *Full Assessment Form* for all Medicare Prospective Payment System (PPS) assessments.

Facilities will be required to use the appropriate MDS Tracking form when submitting MDS data. This includes the *Basic Assessment Tracking Form*, *Discharge Tracking Form*, and *Reentry Tracking Form*.

HCFA MDS forms can be found on the World Wide Web at: <http://www.hcfa.gov/medicare/hsqb/mds20/mdssoftw.htm>

Submitting Production MDS Data

All MDS assessments completed on or after June 22, 1998 must be submitted to the state agency within 31 days of completing the record.

Submit a *Basic Assessment Tracking Form* with all full and quarterly assessments (Admissions, Annual, Significant Change, and Medicare Assessments required for PPS and MDS Quarterly Assessments.)

In addition, facilities must submit the **MDS Version 2.0, 1/30/98; Background (Face Sheet) Information at Admission** form with the first MDS record that is transmitted for each resident on or after June 22. Submission of the *Background (Face Sheet) Information at Admission* form with a quarterly assessment form will create an out-of-sequence error in the Initial Feedback Report. This error message can be ignored. Out-of-sequence errors will be generated until a full assessment is submitted.

Medicare Prospective Payment System (PPS)

The 1997 Balanced Budget Act requires that the federal Health Care Financing Administration (HCFA) implement a Prospective Payment System (PPS) using MDS information for Skilled Nursing Facilities (SNFs). PPS becomes effective for cost-reporting periods that begin on or after July 1, 1998. The PPS employs a case-mix adjusted payment methodology that is designed to reflect fully and accurately the individual resource intensity of each Medicare beneficiary in a SNF. The Medicare PPS will replace the current cost-based system of Medicare reimbursement. The RUGs-III (Resource Utilization Groups) Version 5.12, 1997 Update will be used for Medicare PPS.

The RUGs-III Version 5.12 information is available on the HCFA WWW at:
<http://www.hcfa.gov/medicare/hsqb/mds20/mdssoftw.htm>

Facilities will be phased into the Medicare PPS based on a facility's fiscal year. Approximately 25% of Wisconsin's skilled nursing homes will begin using the Medicare PPS on July 1, 1998. Others will be phased in over the next year.

The Medicare PPS provisions require:

- That the *Full MDS Assessment* be completed for all Medicare assessments.
- More frequent *Full MDS Assessments*. This includes *Medicare 5-day Assessment*, *Medicare 14-day Assessment*, *Medicare 30-day Assessment*, *Medicare 60-day Assessment* and *Medicare 90-day Assessment*.
- A comprehensive assessment that includes the Resident Assessment Protocols (RAPs) to be completed with either the 5-day or 14-day assessment; subsequent Medicare PPS assessments do not require RAPs.

- The *Full MDS Assessment* that includes the RAPs, (either the *Medicare 5-day Assessment* or *Medicare 14-day Assessment*) to be the assessment that sets the clock for the annual assessment, if the resident continues to reside in the facility.
- Section T, Supplement for Medicare PPS (required for all Medicare PPS Assessments).
- Section U; however, this section is being revised by HCFA and will not be required.

Automation Testing Questions

When submitting our MDS data, we received an error stating that our *Medicaid provider number* does not match the State's database. Has this problem been corrected?

The Medicaid provider numbers have been put into the State's database. This should eliminate the error that indicates the facility's Medicaid number does not match the State's database.

After June 22, 1998, must we make all the corrections indicated on the error reports and re-submit the corrected electronic records?

If an error is discovered after the MDS record is locked, the options for correction depend on two factors: 1) was the error in a *key field*; and 2) was the error major. *Key fields* – include important **resident** and **facility identifiers, dates** and **disposition** information that would affect how the record is stored, retrieved, or associated with other records. *Key field* errors must be corrected when noted. *Key field* items include:

Resident Information

Resident Name - Items AA1a, b, c and d
 Gender - Item AA2
 Birth date - Item AA3
 Race/Ethnicity - Item AA4
 Social security Number - Item AA5a
 Medicare Number - Item AA5b
 Medicaid Number - Item AA7
 Reasons for Assessment - Items AA8a and AA8b (or A8a and A8b)
 Assessment Reference Date - Item A3a
 Original or Corrected Copy of form - Item A3b
 Date of Reentry - Item A4a
 Admitted From (at Reentry) - Item A4b
 Medical Record Number -Item A6
 Date of Entry - Item AB1
 Admitted From (at entry) - Item AB2
 Date RN Assessment Coordinator signed as complete - Item R2b
 Discharge Status - Item R3
 Discharge Date - Item R4
 Date RN Coordinator signed that RAP assessment is complete-Item VB2
 Date RN Coordinator signed that the Care Plan is complete-Item VB4

Facility Information

Facility Identifier (Fac_ID)
 Federal Provider Number
 State Provider Number

If the error is a key error, the facility must submit a *Key Change Request* to the State, indicating both the incorrect and the correct value. State staff will review the change request and correct the MDS record in the State database. Key

change requests may be made at any time. Additional information on this change-request process will be detailed in the State Operation Manual.

If the error is not a *Key field* error, the facility must next determine whether the error is major. You should consider it a major error if the resident's status has been misrepresented on the MDS, and the impact of the erroneous data is such that correction is warranted. If the errors are major, a *Significant Correction Assessment* should be completed. If the error is not a *Key field* and is not a major error, it should be noted in the resident's record and corrected when the next required assessment is completed.

We're getting error messages that say our records are out of sequence. What does this mean?

The system includes edits to ensure that any *Quarterly Review Assessment* or other partial assessment is preceded by a *Full Assessment*. If your test files include partial assessments and you have not previously submitted a completed *Full Assessment*, an out-of-sequence error message will be generated. This error will be resolved once a *Full MDS Assessment* is in the database. It is not necessary to submit a *Full MDS Assessment* until it is required in the sequence of assessments.

RAVEN

RAVEN (Resident Assessment Verification and ENtry) is the federal Health Care Financing Administration's (HCFA) Minimum Data Set (MDS) data entry system. This system offers long-term care facilities the ability to collect MDS assessment information in a database and transmit that information in the specified format to the State database.

The RAVEN software includes system set-up, data entry, and import/export functionality. It also contains the RAP triggers, RUGs calculations, and 18 state-specific Section S samples. More details about this software are available at the HCFA WEB site.

RAVEN can be downloaded from the HCFA WEB site <http://www.hcfa.gov/medicare/hsqb/mds20/raven.htm> or by e-mailing a request to raven@hcfa.gov.

The Iowa Foundation for Medical Care (IFMC) will provide technical support for the RAVEN system. Please call IFMC at **1-800-339-9313** for assistance.

Resident Notification

HCFA will require providers to inform all residents of certified LTC facilities, regardless of payment source, about the electronic storage and transmission of the MDS. This is because the data will become part of a federal database or "system of records," and is therefore subject to the requirements of the Privacy Act of 1974.

The Privacy Act requires that each individual who is asked to supply information be notified of the authority under which the information is collected, the principal purposes for which the information is intended to be used, the "routine uses" that may be made of the information, and whether disclosure is voluntary or mandatory and the effect, if any, on the individual of not providing the requested information. This notification may be either on the form used to collect the information or on a separate form that can be retained by the individual. The Privacy Act does not require that a

facility obtain a resident's signature acknowledging receipt of such notification. However, facilities have the option of requesting a signature as a way to document that the required notification was provided.

A sample notification statement developed by the Health Care Financing Administration has been posted on the HCFA MDS website at:

<http://www.hcfa.gov/medicare/hsqb/mds20>

HCFA State Operations Manual (SOM)

A copy of the final version of the SOM will be sent to all nursing homes when it is received from HCFA.

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